



Investing in the Economic Vitality of the District of Columbia through Pre-Kindergarten for All

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Preliminary Findings

Over the past several years, a strong national consensus has developed that high-quality pre-kindergarten is a smart investment with a high rate of return. Decades of research indicates that children who participate in high-quality pre-k are: more likely to develop strong academic and social competence and enter adulthood with the skills, knowledge, and disposition necessary to contribute to the economic growth and well being of their communities. This study examines the potential benefits to the District of Columbia if every child were given the pre-k opportunity.

These findings indicate that high-quality pre-k for all:

- Is a critical part of K-12 education reform that reduces special education and grade-retention costs and increases high school graduation rates.
- Secures the District's economic future by increasing tax revenues, reducing the crime rate, and helping to build to a more-employable workforce.
- Improves access to preventive healthcare for families and reduces the District's healthcare costs.

A Rationale for Investment

A leading indicator of a city's economic vitality is overall quality of life, as determined by a robust business environment, a highly rated public education system and an employable workforce. Recent polls of DC residents show education to be a top priority across the city.

Fueling these concerns are the lingering academic challenges faced by the DC Public Schools where only 10 percent of fourth-grade students are proficient in reading and only 6 percent of sixth graders are proficient in math. These poor academic outcomes have a negative impact on multiple dimensions of the city's vitality and prevent the District's young people from participating in their local community's vibrant economy and workforce. In a recent Washington Post, "Close to Home Essay," Barbara Lang, President of the DC Chamber of Commerce wrote, "Preparing our workforce is essential, and that process begins with our DC Public Schools, so that we don't continue to add to the pool of unprepared workers."

A high-quality pre-k program serves as a critical building block for strong academic outcomes and also as an initial investment in workforce development/employability. Carefully researched studies such as the Perry Preschool Project and the Abecedarian Early Childhood Intervention, demonstrated high returns in government cost savings and increases in human and social capital.

After a comprehensive analysis of the District's current state of early childhood education, this study recommends the additional investments necessary to create a quality system. These investments are then compared to potential government savings. The results are clear. Additional investments are not only cost-effective to the government – they improve the District's economic vitality and overall quality of life.

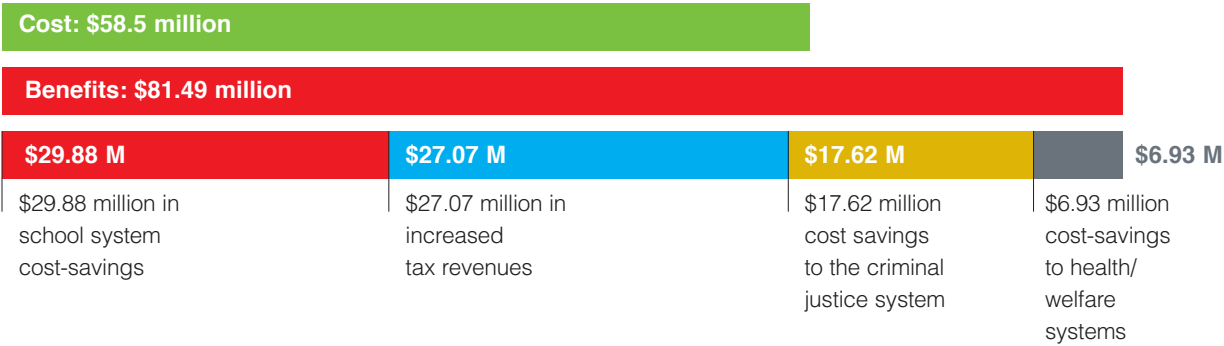
Cost Savings to the School System
In the District of Columbia, special education and grade-retention rates are among the highest in the nation and place a heavy financial burden on the public school

system. Over the course of student's K-12 education, DCPS will spend nearly \$100,000 more on each special education student than on each student in regular education. Many children who enter school behind, stay behind, and are often referred to special education or be held back a grade. A high-quality pre-k system that prepares children for school will reduce the special education rate by 22 percent. The DCPS grade retention rate would fall by nearly 17 percent.

High-quality pre-k significantly improves student achievement. In the District of Columbia, the K-12 system stands to realize significant increases in learning productivity from gains in teacher satisfaction, lower turnover, reduced teacher absenteeism, improved school safety, and lower remediation costs.

Improvements in student achievement combined with decreases in the special education and grade retention rates amount to \$29.88 million in total cost-savings.

Quality Pre-K is Cost Effective



Reductions in Child Healthcare Costs

In a high-quality pre-k-for-all system, every child is screened for health conditions, receives nutritious meals, and is immunized. In fiscal year 2005, the District of Columbia spent \$20.6 million on school-health, intervention, and mental-health services. This amounts to \$340 per child per year. If every three- and four-year-old child had access to pre-k preventative healthcare services, then future healthcare costs would be lower. Total cost savings to the District in this area would come to \$6.93 million.

Cost Savings to the Criminal Justice System

Decades of research indicate that children who attend high-quality pre-k are less likely to be involved in crime. If a high-quality pre-k-for-all system were in place in DC, the city's incarceration rates would fall dramatically, saving District residents approximately \$17.62 million.

Increases in Tax Revenues

High-quality pre-k for all has been shown to generate increased tax revenues in two ways:

1. Parents re-enter the labor market more easily when they are confident that their children are receiving high-quality education and care while they work.
2. Three- and four-year-old children who attend high-quality pre-k go on to graduate high school in greater numbers, enter adulthood as more productive workers, and earn higher wages.

Both of these effects raise incomes, increasing income and sales tax revenues proportionately. This study estimates that the District would reap \$27.07 million in additional tax revenue should the city invest in high-quality pre-k for all.



Closing the Pre-K Quality Gap

In order for a community to truly reap the benefits of pre-k, all children must have access to high-quality programs. Currently in the District, such programs are scarce. While a large number of three and four year olds are served (46 percent of threes and 69 percent of fours), under 20 percent of the total number of children is enrolled in high-quality programs, as measured by research-based, national quality standards.

The challenge for DC is to improve existing, low-quality programs while expanding the capacity of existing, high-quality programs, to ultimately serve all children. With increased investment, all programs should meet the following quality standards:

- A well-qualified teacher in every classroom with specialized training in early childhood learning and development.

- An age-appropriate, child-centered curriculum that develops language and literacy skills, mathematical thinking, scientific inquiry, and social and emotional development.
- A low teacher-child ratio to allow for teacher-child interaction and individualized instruction.
- A rigorous program-improvement and public-accountability system that includes child-outcome assessments and program evaluations.

The District of Columbia could serve every child, close the quality gap and realize the academic, social, and economic benefits from its efforts by investing \$58.5 million in pre-k for all three and four year olds over a four-year period.

Increasing Momentum

The District of Columbia has a legacy of leadership in early education. Since 1972, public school pre-k has been available for four year olds on a first-come-first-served basis. In recent years, the program has begun serving a limited number of three year olds.

In 2002, a coalition of early childhood and K-12 advocates came together under the banner of the Universal School Readiness Stakeholder Group to promote public knowledge, public will, and public action in support of pre-k for all.

The Stakeholder Group has worked in collaboration with the National Black Child Development Institute's SPARK DC initiative to ensure that all children enter school ready to learn. These combined efforts have results in the Pre-K Incentive program, an exemplary prototype of high quality that is funded by the DC Public Schools and administered by DC DHS Early Care and Education Administration.

Pre-K for All DC represents the culmination of these efforts. Over the next several years, the campaign will engage in a public and policymaker education and advocacy campaign to ensure every three and four year old has access to high-quality pre-kindergarten.

Realizing the Vision

The vision that all children will enter school ready to learn and prepared for success in life can only be realized through the collective actions of all of its citizens. By becoming Pre-K Champions, business and foundation leaders, education advocates, and elected officials can play major roles in supporting the Pre-K for All DC campaign.

- The challenge for the business and foundation community is to first embrace pre-k as a sound, research-based development strategy and work to integrate it into the District's economic agenda for the future.

- Education advocates must continue to promote pre-k as a critical part of the school reform agenda.
- Elected officials should make pre-k for all three and four year olds a legislative and budgetary priority.
- The power to improve the District's economy and education system through high-quality pre-k lies with parents and families. Only by holding government officials to their word and expressing the critical need and potential benefits will pre-k for every three and four year old become a reality in the District of Columbia.

Pre-K for All DC is a non-partisan public education and advocacy campaign seeking to ensure all three and four year olds have access to high-quality pre-kindergarten in the District of Columbia.

Pre-K for All DC is a collaborative initiative of the *National Black Child Development Institute* in partnership with the Universal School Readiness Stakeholder Group, SPARK DC/NBCDI, and DC DHS Early Care and Education Administration.

